

Message Text

UNCLASSIFIED

PAGE 01 COLOMB 01122 291253Z

ACTION EB-08

INFO OCT-01 EUR-12 NEA-10 ISO-00 AGRE-00 CEA-01
CIAE-00 COME-00 DODE-00 FRB-01 H-02 INR-07 INT-05
L-03 LAB-04 NSAE-00 NSC-05 PA-02 AID-05 SS-15
STR-04 ITC-01 TRSE-00 USIA-15 PRS-01 SP-02 OMB-01
FEA-01 /106 W

-----292302Z 024031 /75-70

R 290700Z MAR 77

FM AMEMBASSY COLOMBO

TO SECSTATE WASHDC 7008

INFO AMEMBASSY MOSCOW

UNCLAS COLOMBO 1122

E.O. 11652: N/A

TAGS: ETRD, PFOR, CE, UR

SUBJ: SRI LANKA AND SOVIET UNION SIGN NEW TRADE AGREEMENT

1. ON MARCH 28, A SRI LANKA DELEGATION HEADED BY T.B. ILAN-
GARATNE, MINISTER OF TRADE, PUBLIC ADMINISTRATION AND HOME
AFFAIRS, RETURNED TO COLOMBO AFTER CONCLUDING A NEW TRADE
AGREEMENT WITH THE SOVIET UNION.

2. UPON HIS ARRIVAL, THE MINISTER ISSUED A COMMUNIQUE STATING
THAT THE NEW AGREEMENT MARKED A DEPARTURE IN SRI LANKA'S TRADE
RELATIONS WITH THE USSR IN THAT ALL TRADE PAYMENTS BETWEEN THE
TWO COUNTRIES WILL HENCEFORTH BE MADE IN FREELY CONVERTIBLE
CURRENCY. ACCORDING TO MINISTER ILANGARATNE, THE AGREEMENT
WILL HAVE A DURATION OF FIVE YEARS BUT WILL BE RENEWABLE ANNUALLY.

3. THE MINISTER SAID THAT SINCE THE CONCLUSION OF THE 1958
TRADE AND PAYMENTS AGREEMENT, TRADE AND OTHER ECONOMIC RELATIONS
BETWEEN THE TWO COUNTRIES HAVE GROWN STEADILY. HE INDICATED
THAT FROM 1973 TO 1976, SRI LANKA'S EXPORTS TO THE SOVIET UNION
INCREASED FROM RS. 63 MILLION (\$9.8 MILLION AT PREVAILING
UNCLASSIFIED

UNCLASSIFIED

PAGE 02 COLOMB 01122 291253Z

EXCHANGE RATE) TO RS. 153 MILLION (\$18.2 MILLION). THE MINISTER
SAID THERE WAS SCOPE FOR GREATER IMPROVEMENT; THE USSR IS
INTERESTED IN SRI LANKA'S TEA, RUBBER READY-MADE GARMENTS,
FOOTWEAR, DESICCATED COCONUT, AND SOME NEW INDUSTRIAL EXPORTS,
WHILE SRI LANKA IS INTERESTED IN OBTAINING TEA CHEST PANNELS
AND ENGINEERING AND INDUSTRIAL EQUIPMENT FROM THE SOVIET UNION.

4. MINISTER ILANGARATNE COMMENTED FAVORABLY ON SOVIET ECONOMIC ASSISTANCE, SPECIFICALLY MENTIONING THE TIRE FACTORY AND THE STEEL AND FLOUR MILLS BUILT WITH SOVIET TECHNICAL AND FINANCIAL HELP. HE ALSO MENTIONED THE SAMANALA WEWA HYDROELECTRIC PROJECT, REFERRED TO POSSIBLE ASSISTANCE IN BUILDING LOW-COST HOUSING, AND SAID THE CREDIT LINES EXTENDED BY THE USSR FOR THE PURCHASE OF MACHINERY AND SPARE PARTS WERE MOST WELCOME.

5. ON THE POLITICAL SIDE, THE MINISTER SAID THAT SENIOR SOVIET OFFICIALS HAVE EXPRESSED THEIR "WARM APPRECIATION OF THE EFFORTS OF MRS. BANDARANAIKE'S GOVERNMENT TOWARDS THE ACHIEVEMENT OF AN EGALITARIAN AND SOCIALIST SOCIETY IN SRI LANKA AND ALSO HER EFFORTS TOWARDS WORLD PEACE AS CHAIRMAN (SIC) OF THE NON-ALIGNED COUNTRIES."
REED

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: TREATY SIGNATURE, TRADE AGREEMENTS, COMMUNIQUE
Control Number: n/a
Copy: SINGLE
Sent Date: 29-Mar-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01-Jan-1960 12:00:00 am
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977COLOMB01122
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770108-0046
Format: TEL
From: COLOMBO
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770313/aaaaakkg.tel
Line Count: 77
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: db4ba1b0-c288-dd11-92da-001cc4696bcc
Office: ACTION EB
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 19-Oct-2004 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2968968
Secure: OPEN
Status: NATIVE
Subject: SRI LANKA AND SOVIET UNION SIGN NEW TRADE AGREEMENT
TAGS: ETRD, PFOR, CE, UR
To: STATE
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/db4ba1b0-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009